HEALTH AND SANITATION PROGRAM

Exchange of notes at Tegucigalpa July 21 and 26 and August 18 and 24, 1949, supplementing and extending agreement of May 5 and 8, 1942.

Entered into force August 24, 1949; operative from June 30, 1949 Program expired June 30, 1960

63 Stat. 2729; Treaties and Other International Acts Series 1986

The American Ambassador to the Minister of Foreign Affairs

No. 127

TEGUCIGALPA, D. C., July 21, 1949

Excellency:

I have the honor to refer to the Basic Agreement, as amended, entered into in July 1942 ¹ between the Republic of Honduras and The Institute of Inter-American Affairs, providing for the existing cooperative health and sanitation program in Honduras. I also refer to Your Excellency's note No. 4648 of June 30, 1949 suggesting the consideration by our respective Governments of a further extension of that Agreement.

Considering the mutual benefits which both Governments are deriving from the program, my Government agrees with the Government of Honduras that an extension of the program beyond its present termination date would be desirable. Accordingly, I have been advised by the Department of State in Washington that arrangements may now be made for the Institute to continue its participation in the program for a period of one year, from June 30, 1949 through June 30, 1950. It would be understood that, during this period of extension, the Institute would make a contribution of \$50,000 in the currency of the United States, to the Servicio Cooperativo Inter-Americano de Salud Pública, for use in carrying our project activities of the program, on condition that your Government would contribute to the Servicio for the same purpose the sum of not less than L500,000. It would also be understood that were the Honduran Government not in a position to contribute L500,000, the contribution of the Institute would be at the rate of one-fifth of the amount determined by the Honduran Government. The Institute would also be willing during the same extension period to make available funds to be administered by the Institute, and not deposited to the

¹ TIAS 1557, 1646 and 1980, ante, pp. 940, 954, 966, and 972.

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account of the Servicio, for payment of salaries and other expenses of the members of the Health and Sanitation field staff who are maintained by the Institute in Honduras. The amounts referred to would be in addition to the sums already required under the present Basic Agreement, as amended, to be contributed and made available by the parties in furtherance of the program.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two Governments, which shall come into force on the date of signature of an agreement by the Secretary of State in charge of the Ministry of Government, Justice, Health and Welfare and a representative of The Institute of Inter-American Affairs embodying the above-mentioned technical details.

If the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's assurance to that effect as soon as may be possible, in order that the technical details of the extension may be worked out by the officials of the Secretary of State in charge of the Ministry of Government, Justice, Health and Welfare and The Institute of Inter-American Affairs.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HERBERT S. BURSLEY

His Excellency

Dr. J. Edgardo Valenzuela, Minister for Foreign Affairs, Tegucigalpa, D.C.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. 362

TEGUCIGALPA, D.C., July 26, 1949

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 127 dated the 21st instant, in connection with the amended Basic Agreement concluded in July 1942, between the Republic of Honduras and the Institute of Inter-American Affairs, and in reply I have the honor to transcribe hereinbelow the following communication:

"MINISTRY OF INTERIOR, JUSTICE, SANITATION AND WELFARE.—Tegucigalpa, D.C., July 26, 1949.—Communications No. 433.—Mr. Minister: I take the liberty of acknowledging receipt of your courteous communication dated the 25th instant, transcribing the note which you have received from His Excellency the American Ambassador and which refers to the advice that he has received from the Department of State, informing him that arrangements may now be made with the Institute of Inter-Ameri-

can Affairs for the extension of the program of the Servicio Cooperativo Interamericano de Salud Pública, for a period of one year, from June 30, 1949 through June 30, 1950, for carrying out project activities of the program, it being understood that the contribution of the said Institute, during the period of extension, will be \$50,000.00 in United States currency, on condition that our Government's contribution to the Servicio for the same purpose will be a sum not less than L. 500,000.00. - It will also be understood that if our Government should not be in a position to contribute the aforesaid sum, then the Institute's contribution would be at the rate of one-fifth of the amount determined by the Honduran Government. Due note has been taken of the fact that the Institute is willing to continue making funds available for the payment of salaries and other expenses of the members of the Health and Sanitation field staff who are maintained by the Institute in Honduras, which funds will be administered by the Institute and not deposited to the account of the Servicio. - With respect to the proportion of the funds to be contributed for carrying out activities of the program of the Servicio Cooperativo, our Government has stated on several occasions in personal conversations held by the undersigned with some of the members of the SCISP, that it would be impossible for it to extend the contract at the rate of one to five as indicated by the note of His Excellency the American Ambassador, which rate has been determined by the appropriate authorities in Washington. - Our present General Budget for Sanitation allocates an appropriation of L. 150,000.00 for the current fiscal year for carrying out the Servicio Cooperativo projects; and in addition, under date of January 31 of the present year, by Decree No. 44, the National Congress established an additional custom duty, assigning the proceeds therefrom to the supplying of potable water for various towns in the Republic, the collection of which duty was to begin on the first of July last, but certain exemptions therefrom were made in that Decree, such as on heavy machinery, barbed wire for fences, and imports of articles covered by commercial treaties like those which we have concluded with the Government of El Salvador and with the Government of the United States of America. - As a result of this, the proceeds from such source, estimated in the Budget at L. 275,000.00 per annum, with an average of L. 23,000.00 per month, amounted only to L. 6,382.02 in July last, from which it may be deduced from its total proceeds will be about L. 75,000.00 in the current year. - Thus, if to the L. 150,-000.00 included in the Budget for carrying out the Servicio Cooperativo projects there is added the sum of L. 75,000.00 as the probable proceeds from the newly created source of revenue for the water supply, plus another L. 75,000.00 which might possibly be contributed by the various districts and municipalities for the works actually constructed under the projects approved, the result would be that the probable contribution of the Government would amount to L. 300,000.00, which would yield a rate of one to three if the Institute of Inter-American Affairs were to contribute L. 100,- 980 HONDURAS

000.00 or its equivalent in dollars at the exchange rate of 2 to 1. - Of course, it might happen that in the course of the year the new revenue might reach L. 100,000.00 and that the districts and municipalities might be in a position to contribute up to another L. 100,000.00, which would yield a rate of one to three and one-half between the parties, but this is simply a probability and not a certainty for the participation of the Government. If such increase were registered, it would of course be included in our contribution. - In view of all the foregoing and for economic reasons, particularly this year, when because of the high cost of living in this country the budget voted by the National Congress included a 25% increase in all salaries of government workers, it would be materially impossible for our Government to contribute at the rate mentioned by His Excellency the American Ambassador, under instructions from the Department of State which emanate also from the Institute of Inter-American Affairs. - Our Government appreciates and is highly grateful for the cooperation offered to it by the Institute, because of the benefits which both parties derive from such cooperation, and it is for this reason that our Government willingly makes the counter-proposal set forth above. - Requesting you, Mr. Minister, to be good enough to transmit the contents of this communication to His Excellency the American Ambassador, I remain, Respectfully yours. (s) Julio Lozano, Jr. - To the Minister of Foreign Relations - His Office."

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

J. E. VALENZUELA

His Excellency

HERBERT S. BURSLEY,

Ambassador Extraordinary and Plenipotentiary of the United States of America.

American Embassy.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

NATIONAL PALACE TEGUCIGALPA, D.C., August 18, 1949

No. 752

EXCELLENCY:

In connection with my note No. 362 of July 26 last, addressed to your Embassy, I have the honor to transcribe to Your Excellency the following communication:

"MINISTRY OF INTERIOR, JUSTICE, SANITATION AND WELFARE.—Communication No. 897.—Tegucigalpa, D.C., August 18, 1949.—Mr. Minister: I ask that you inform His Excellency the American Ambassador of our Gov-

ernment's desire that the Servicio Cooperativo Interamericano de Salud Pública (SCISP) continue during the present fiscal year with the administration of the National Tuberculosis Sanitarium, in accordance with Project #55, to which purpose an allocation has been made in the amount of (L. 214,880.00) Two Hundred Fourteen Thousand Eight Hundred and Eighty Lempiras, which sum will be included in the extension agreement now under consideration, if the Institute of Inter-American Affairs approves it.—Respectfully yours, (s) Julio Lozano, Jr.—To the Minister of Foreign Relations—His Office."

Therefore, I respectfully ask Your Excellency, if there is no objection, to communicate to your Government the wishes expressed in the above-transcribed communication.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest esteem and most distinguished consideration.

J. E. Valenzuela

His Excellency

HERBERT S. BURSLEY,

Ambassador Extraordinary and Plenipotentiary of the United States of America.

American Embassy.

The American Ambassador to the Minister of Foreign Affairs

No. 143

TEGUCIGALPA, D.C., August 24, 1949

Excellency:

It gives me pleasure to state that as a consequence of receipt of Your Excellency's kind note No. 752 of August 18, 1949 concerning the desire of the Honduran Government that the Servicio Cooperativo Interamericano de Salud Pública (SCISP) continue the administration of the National Tuberculosis Sanitorium during the current fiscal year, it is considered that an agreement between our two governments has been reached providing for the extension of the Basic Agreement, as amended, between the Government of Honduras and the Institute of Inter-American Affairs providing for the existing cooperative health and sanitation program in Honduras.

Mr. John L. Hummel, Acting Chief of Party, has accordingly been authorized and requested to proceed with the execution of the extension agreement.

Please accept, Excellency, the renewed assurances of my highest and most distinguished consideration.

HERBERT S. BURSLEY

His Excellency

Dr. J. Edgardo Valenzuela, Minister for Foreign Affairs, Tegucigalpa, D.C.